

EXHIBIT 2(b)

Bellevue, Nebraska Franchise Excerpts

CITY OF BELLEVUE
QWEST BROADBAND
SERVICES INC. D/B/A CENTURYLINK
CABLE FRANCHISE AGREEMENT

2013

AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 2013, by and between the CITY OF BELLEVUE, a Municipal Corporation, hereinafter referred to as "City", and Qwest Broadband Services Inc. (QBSI) d/b/a CenturyLink, a Colorado corporation with a local business office at 1314 Douglas Street, Omaha, Nebraska, 68102, hereinafter referred to as "Company".

WITNESS THAT:

WHEREAS, the City is authorized to grant one or more nonexclusive cable franchises pursuant to Bellevue applicable state and federal law; and

WHEREAS, the City intends to exercise the full scope of its municipal powers to the extent not prohibited by state and federal law, including both its police power and contracting authority, to promote the public interest and to protect the health, safety and welfare of the citizens of the City; and

WHEREAS, the City has identified the future cable-related needs and interests of the City and its community, has considered the financial, technical and legal qualifications of the Company, and has determined that the Company's plans for its Cable System are adequate, in a full public proceeding affording due process to all parties; and

WHEREAS, the City has found Company to be financially, technically and legally qualified to operate the Cable System; and

WHEREAS, the City has determined that the grant of a nonexclusive franchise to Company is consistent with the public interest; and

WHEREAS, the City and Company have reached agreement on the terms and conditions set forth herein and the parties have agreed to be bound by those terms and conditions.

NOW, THEREFORE, Company hereby agrees to comply with the provisions of this Agreement and applicable local, state and federal law as follows:

ARTICLE I. GENERAL

City, upon written request of the Company, shall permit the Company to construct and/or operate Company's Cable System and provide Cable Service to Subscribers in the City under the exact same agreement as applicable to the new MVPD, if permissible under Applicable Laws. Within one hundred and twenty (120) Days after the Company submits a written request to the City, the Company and the City shall enter into a written agreement or other appropriate authorization (if necessary) containing the exact same terms and conditions as are applicable to the new wireline MVPD.

Section 3. TERM. This non-exclusive Franchise shall be in effect for a period of ten (10) years from the date of adoption by the City (the "Effective Date"), unless sooner renewed or lawfully terminated in accordance with the terms hereunder and Applicable Law. Upon acceptance of this Franchise by Company, this Franchise shall supersede and replace any and all previous franchises or amendments thereto granted by the City and held by Company.

Section 4. AREA TO BE SERVED.

(a) The Company is hereby authorized to provide Cable Services over a Cable System within the jurisdictional boundaries of the City, including any areas annexed by the City during the term of this Franchise. The parties acknowledge that Company is the not the first entrant into the wireline video market in the City. The City's acknowledges the Company's position that as a new entrant, investment in and expansion of Company's Cable System should be driven by market success, and not a contractual requirement for ubiquitous coverage. The Company acknowledges that the City desires wireline competition throughout the entire City so all residents may receive the benefits of competitive Cable Services. To demonstrate its commitment to provide Cable Service to the City, Company agrees that within three (3) years from the Effective Date of this Franchise, Company shall offer Cable Services over a Cable System to 25% of the Living Units ("Initial Coverage Threshold") in the City. Company shall not be obligated under this Franchise to expand the provision of Cable Service beyond the Initial Coverage Threshold until 27.5% of the Living Units in the Initial Coverage Threshold purchase Cable Services from Company ("Initial Subscription Threshold"). If, on the third anniversary of the grant of this Franchise, Company's Cable Service offering exceeds the Initial Coverage Threshold, then the Initial Subscriber Threshold shall apply to all Living Units capable of being served by Company, not just the Initial Coverage Threshold. Once the Company achieves the Initial Subscription Threshold, Company agrees that within two (2) years from the date,

Company meets the Initial Subscription Threshold, Company shall offer Cable Services to an additional 15% of the Living Units ("Additional Coverage Threshold") in the City. Company shall not be obligated under this Franchise to expand Company's Cable Service offering beyond the Additional Coverage Threshold until 27.5% of the Living Units in the Additional Coverage Threshold, purchase Cable Services from Company ("Additional Subscription Threshold"). If Company's Cable Service offering exceeds the Additional Coverage Threshold prior to the meeting the Additional Subscriber Threshold, then the Additional Subscriber Threshold shall apply to all Living Units capable of being served by Company, not just the Additional Coverage Threshold. Thereafter, this process of increasing the Additional Coverage Threshold by 15% when the prior Subscription Threshold is met will be continued every two (2) years until Company is capable of offering Cable Services to all Living Units in the City. As part of its initial deployment in the City, Company commits to offer Cable Service to a significant portion of the City that falls below the median income level as measured by census block group data. Company will meet with the City, not less than quarterly, to demonstrate that it has met this commitment.

(b) In General. Except as otherwise provided herein, where Company chooses to activate a Remote Terminal, Company shall provide Cable Service within seven (7) Days of a request by any Person within the City. For purposes of this subsection, a request shall be deemed made on the date of signing a service agreement, receipt of funds by Company, receipt of a written request by Company or receipt by Company of a verified verbal request. Company shall provide such service at non-discriminatory monthly rates for Residential Subscribers, consistent with Applicable Law. Company shall not discriminate between or among any individuals in the availability of Cable Service based upon income in accordance and consistent with 47 U.S.C. Section 541(a)(3), or based upon race or ethnicity.

(c) The Company shall offer the individual units of a multiple dwelling unit all Cable Services offered to other Living Units in the City and shall individually wire units upon request of the property owner or renter who has been given written authorization by the owner; provided, however, that any such offering is conditioned upon the Company having legal access to said unit. The City acknowledges that the Company cannot control the dissemination of particular Cable Services beyond the point of demarcation at a multiple dwelling unit.

have the right to modify any of the provisions herein to such reasonable extent as may be necessary to carry out the full intent and purpose of this Agreement.

Section 7. PAYMENT OF FRANCHISE FEE.

(a) During the term of this Franchise, Company shall pay to City a Franchise Fee in an amount equal to five percent (5%) of Company's Gross Revenues. Upon ninety (90) Days advance written notice from the City to Company, City may increase or decrease the Franchise Fee to the extent permissible under Applicable Law, and pursuant to said notice and direction, Company shall pay to City an annual Franchise Fee of up to the maximum amount permitted by Applicable Law. At any time during the duration of this Franchise, in the event that the City is authorized to collect an amount in excess of five percent (5%) of Gross Revenues, then the City may unilaterally amend this Franchise after holding a public hearing to provide that such excess amount shall be added to the Franchise Fee payments to be paid by Company to the City hereunder, provided that Company has received at least ninety (90) Days prior written notice from the City of such amendment.

(b) The Franchise Fee shall be paid to the Finance Department of the City by check or other agreed upon means no later than thirty (30) Days following the expiration of each quarter year ending on March 31st, June 30th, September 30th and December 31st. Each payment shall be accompanied by a detailed, complete and accurate statement of all Gross Revenues during the period for which payment is made. The Company shall provide such information using the form attached hereto and incorporated by reference as Exhibit B. Each statement shall be verified as accurate by the proper financial officer of the Company and shall conform to GAAP applied on a consistent and fair basis.

(c) Within one hundred twenty (120) Days following the conclusion of each fiscal year of the Company, the Company shall file an annual financial report prepared and verified as accurate by the proper financial officer of the Company. The report shall reflect the yearly total Gross Revenues, payments to the City, and all relevant financial information.

(d) In the event this Agreement should be terminated or forfeited prior to the expiration of its term, the Company shall immediately submit to the City a financial statement prepared as would otherwise be required, showing the Gross Revenues for the time which has

will not discriminate among Subscribers with regard to rates and charges made for any Cable Service based on considerations of race, color, creed, sex, marital or economic status, national origin, or neighborhood of residence; and shall comply with the non discrimination requirements of Applicable Laws.

Section 10. LETTER OF CREDIT.

(a) Within ten (10) Days after the execution of this Agreement, the Company shall deposit with the City a letter of credit from a financial institution in the amount of \$50,000.00. The form and content of such letter of credit shall be approved by the City Attorney. The letter of credit shall be used to insure the faithful performance by the Company of all provisions of this Agreement and the payment by the Company of any claims, liens and taxes due the City which arise under this Franchise.

(b) The letter of credit shall be maintained at \$50,000.00 during the entire term of the Company's Franchise, even if amounts have to be withdrawn pursuant to subdivision (a) or (c) of this section, and shall remain in effect for sixty (60) Days after the conclusion or termination of this Agreement.

(c) If the Company fails to pay to the City any compensation within the time prescribed herein; or fails, after ten (10) Days' notice to pay to the City any taxes due and unpaid; or fails to repay the City within ten (10) Days, any damages, costs or expenses which the City is compelled to pay by reason of any act or default of the Company in connection with this Agreement or law; or fails after three (3) Days' notice of such failure by the City to comply with any provisions of this Agreement or law which the City reasonably determines can be remedied by demand on the letter of credit, the City may immediately demand payment from the letter of credit of the amount thereof, together with interest and any liquidated damages. Upon demand for payment, the City shall notify the Company of the amount and date hereof.

(d) Any right hereunder shall not be deemed exclusive but in addition to all other rights of the City, whether reserved by this Agreement or authorized by law, and no action, proceeding or exercise of a right with respect to such letter of credit shall adversely affect any other right the City may have.

(e) The letter of credit shall contain the following endorsement:

"It is hereby understood and agreed that this letter of credit may not be cancelled by the surety nor the intention not to renew be stated by the surety until sixty (60) Days after receipt by the City, by registered mail, a written notice of such intention to cancel or not to renew."

Section 11. INSURANCE.

(a) The Company shall, at its sole expense take out and maintain during the term of this Franchise a general comprehensive public liability insurance policy with a company licensed to do business in the State of Nebraska with a rating by A.M. Best & Co. of not less than "A" that shall protect the Company, City and its officials, officers, directors, employees and agents from claims which may arise from operations under this Franchise, whether such operations be by the Company, its officials, officers, directors, employees and agents or any subcontractors of Company. This liability insurance shall include, but shall not be limited to, protection against claims arising from bodily and personal injury and damage to property, resulting from Company's vehicles, products and operations in the following amounts:

- Commercial General Liability \$1,000,000 per occurrence, \$2,000,000 aggregate, City of Bellevue named as an Additional Insured including completed operations, Waiver of Subrogation in favor of City of Bellevue.
- Commercial Auto Liability - \$500,000 combined single limit.
- Workers Compensation/Employers Liability - Statutory limits \$100,000, \$500,000, \$100,000 limits, Waiver of Subrogation in favor of City of Bellevue.
- Commercial Umbrella Liability - \$2,000,000 minimum limit, City of Bellevue named as Additional Insured.

(b) A certificate of insurance in compliance with this section shall be provided to the City within ten (10) Days after the Effective Date of the Franchise and shall, if acceptable to the City Attorney, be approved by the City Attorney. Thereafter, the Company shall immediately advise the City Attorney of any litigation that may develop that would affect this insurance. The policy shall provide coverage on an "occurrence" basis and shall name the City as an additional insured. Standard form of cross-liability shall be afforded. An endorsement shall be provided which states that the coverage is primary insurance with respect to claims arising from Company's operations under this Franchise and that no other insurance maintained by the City will be called upon to contribute to a loss under this coverage.

(c) Prior to the Effective Date, Company shall submit to City a certificate documenting the required insurance, as well as any necessary properly executed endorsements. The certificate and documents evidencing insurance shall be in a form acceptable to City. Renewal certificates shall be provided to City prior to the expiration date of any of the required policies. City will not be obligated, however, to review such endorsements or certificates or other evidence of insurance, or to advise Company of any deficiencies in such documents and receipt thereof shall not relieve Company from, nor be deemed a waiver of, City's right to enforce the terms of Company's obligations hereunder. City reserves the right to require further documentation reasonably necessary to form an opinion regarding the adequacy of Company's insurance coverage.

(d) Neither the provisions of this section nor any damages recovered by the City thereunder shall be construed to limit the liability of the Company under any franchise issued hereunder or for damages.

(e) City reserves the right to adjust the insurance limit coverage requirements of this Franchise no more than once every three (3) years. Any such adjustment by City will be no greater than the increase in the State of Nebraska Consumer Price Index (all consumers) for such three (3) year period.

(f) It is hereby understood and agreed that said insurance policy may not be cancelled by the insurer until thirty (30) Days after receipt by the City, by registered mail, of a written notice of such intention to cancel or not to renew.

Section 12. INDEMNIFICATION.

(a) The Company shall indemnify, defend and hold the City, its officers, boards, commissions, agents and employees (collectively the "Indemnified Parties") harmless from and against any and all lawsuits, claims, causes or action, actions, liabilities, demands, damages, judgments, settlements, disability, losses, expenses (including reasonable attorney's fees and disbursements) and costs of any nature that any of the Indemnified Parties may at any time suffer, sustain or incur arising out of, based upon or in any way connected with the Company's operations, the exercise of this Agreement, the breach by Company of its obligations under this Agreement and/or the activities of Company, its subcontractors, employees and agents

but shall not include outside attorneys' fees for services that are unnecessarily duplicative of services provided the City by Company. Notwithstanding the foregoing, the parties agree that the City may utilize at any time, at its own cost and expense, its own City Attorney or outside counsel with respect to any claim brought by another franchised cable operator as described in Article I, Section 12 (e) above.

ARTICLE II. CABLE SYSTEM CONSTRUCTION

Section 1. CABLE SYSTEM CONSTRUCTION. The Company agrees to operate and maintain Cable Services providing a minimum of one hundred (100) Channels of Cable Service to Subscribers in the City in a manner consistent with all laws, ordinances, construction standards, governmental requirements, FCC technical standards, and requirements of this Agreement.

Section 2. REQUEST FOR CONSTRUCTION. Upon request of the City, the Company shall furnish the City with progress reports indicating in detail any area of construction of the Cable System by the Company.

Section 3. SUPERVISION BY THE CITY. The Director of Public Works, or a Person appointed by the City Council may, from time to time, issue reasonable rules and regulations concerning the construction, operation and maintenance of the Cable System and the provision of Cable Services as are consistent with Applicable Law and the provisions of this Agreement

Section 4. IMPROVEMENTS & UPGRADES. The Company shall at all times during the term of this Agreement upgrade and maintain the Cable System to provide similar technical capabilities, capacity, performance and functionality for the provision of Cable Services as other similarly situated cable systems operated by Company in the United States.

Section 5. LINE EXTENSION.

(a) The Company shall provide Cable Service to all Living Units within the Franchise Area provided that such Living Units are within 4000 cable feet of an activated Remote Terminal.

Section 9. CUSTOMER SERVICE STANDARDS. The City hereby adopts the Customer service standards set forth in Part- 76, §76.309- of the FCC's -rules and regulations, as amended. The Company shall comply in all respects with the Customer service requirements established by the FCC and those set forth herein.

(a) Company shall maintain a convenient local Subscriber service and bill payment location in the City for matters such as receiving Subscriber payments, handling billing questions, equipment replacement and Subscriber service information. The Company shall comply with the standards and requirements for Subscriber service set forth below during the term of this Franchise.

(b) Cable System office hours and telephone availability:

(c) Company will maintain a local, toll-free or collect call telephone access line which will be available to its Subscribers twenty-four (24) hours a Day, seven (7) Days a week.

(1) Trained Company representatives will be available to respond to Customer telephone inquiries during Normal Business Hours.

(2) After Normal Business Hours, the access line may be answered by a service or an automated response system, including an answering machine. Inquiries received after Normal Business Hours must be responded to by a trained Company representative on the next business Day.

(3) Under Normal Operating Conditions, telephone answer time by a Customer representative, including wait time, shall not exceed thirty (30) seconds when the connection is made. If the call needs to be transferred, transfer time shall not exceed thirty (30) seconds. These standards shall be met no less than ninety percent (90%) of the time under Normal Operating Conditions, measured on a quarterly basis.

(4) The Company shall not be required to acquire equipment or perform surveys to measure compliance with the telephone answering standards above unless an historical record of complaints indicates a clear failure to comply.

(5) Under Normal Operating Conditions, the Customer will receive a busy signal less than three percent (3%) of the time.

(6) Customer service center and bill payment locations will be open at least during Normal Business Hours and will be conveniently located.

(d) Installations, Outages and Service Calls. Under Normal Operating Conditions, each of the following standards will be met no less than ninety-five percent (95%) of the time measured on a quarterly basis:

(1) Standard Installations will be performed within seven (7) business Days after an order has been placed. "Standard" Installations are those that are located up to 4000 feet from an activated Remote Terminal capable of providing Cable Service.

(2) Excluding conditions beyond the control of the Company, the Company will begin working on "Service Interruptions" promptly and in no event later than twenty-four (24) hours after the interruption becomes known. The Company must begin actions to correct other Service problems the next business Day after notification of the Service problem.

(3) The "appointment window" alternatives for Installations, Service calls, and other Installation activities will be either a specific time or, at maximum, a four (4) hour time block during Normal Business Hours. (Company may schedule Service calls and other Installation activities outside of Normal Business Hours for the express convenience of the Customer.)

(4) Company may not cancel an appointment with a Customer after the close of business on the business Day prior to the scheduled appointment.

(5) If Company's representative is running late for an appointment with a Customer and will not be able to keep the appointment as scheduled, the Customer will be contacted. The appointment will be rescheduled, as necessary, at a time which is convenient for the Customer.

(e) Communications between Company and Subscribers.

(1) Company will provide written information on each of the following areas at the time of Installation of Service, at least annually to all Subscribers, and at any time upon request:

- (i) Products and Services offered;
- (ii) Prices and options for programming services and conditions of subscription to programming and other services;
- (iii) Installation and Service maintenance policies;
- (iv) Instructions on how to use the Cable Service;
- (v) Channel positions of programming carried on the Cable System; and
- (vi) Billing and complaint procedures, including the address and telephone number of the City's cable office.

(2) Subscribers shall be advised of the procedures for resolution of complaints about the quality of the television signal delivered by the Company, including the address of the responsible officer of the City.

(3) Subscribers will be notified of any changes in rates, programming services or Channel positions as soon as possible in writing. Notice must be given to Subscribers a minimum of thirty (30) Days in advance of such changes if the change is within the control of the Company. In addition, the Company shall notify Subscribers thirty (30) Days in advance of any significant changes in the information required by Section 9(e)(1).

(4) In addition to the above requirement regarding advance notification to Subscribers of any changes in rates, programming services or Channel positions, Company shall give thirty (30) Days written notice to both Subscribers and the City before implementing any rate or Service change. Such notice shall state the precise amount of any rate change and briefly explain in readily understandable fashion the cause of the rate change (e.g., inflation, change in external costs or the addition/deletion of Channels). When the change involves the addition or deletion of Channels, each Channel added or deleted must be separately identified. For purposes of the carriage of digital broadcast signals, the Company

need only identify for Subscribers, the television signal added and not whether that signal may be multiplexed during certain dayparts.

(5) To the extent Company is required to provide notice of Service and rate changes to Subscribers, the Company may provide such notice using any reasonable written means at its sole discretion.

(6) Notwithstanding any other provision of this section, Company shall not be required to provide prior notice of any rate change that is the result of a regulatory fee, Franchise Fee, or any other fee, tax, assessment, or charge of any kind imposed by any federal agency, state, or City on the transaction between the Company and the Subscriber.

(f) Refunds. Refund checks will be issued promptly, but no later than either:

(1) The Customer's next billing cycle following resolution of the request or thirty (30) Days, whichever is earlier, or

(2) The return of the equipment supplied by the Company if Service is terminated.

(3) If a Subscriber's Cable Service is interrupted or discontinued, without cause, for twenty-four (24) or more consecutive hours, the Company shall, upon request by the Subscriber, credit such Subscriber pro rata for such interruption. For this purpose, every month will be assumed to have thirty (30) Days.

(g) Credits. Credits for Service will be issued no later than the Customer's next billing cycle following the determination that a credit is warranted.

(h) Billing:

(1) Consistent with 47 C.F.R. § 76.1619, bills will be clear, concise and understandable. Bills must be fully itemized, with itemizations including, but not limited to, Basic Service and premium Service charges and equipment charges. Bills will also clearly delineate all activity during the billing period, including optional charges, rebates and credits.

(2) In case of a billing dispute, the Company must respond to a written complaint from a Subscriber within thirty (30) Days.

(i) Company shall, upon request, provide City with information which shall describe in detail Company's compliance with each and every term and provision of this Section 9.

(j) Subscriber Contracts.

(1) Company shall, upon request, provide the City with any standard form residential Subscriber contract utilized by Company. If no such written contract exists, Company shall file with the City a document completely and concisely stating the length and terms of the Subscriber contract offered to Customers. The length and terms of any Subscriber contract(s) shall be available for public inspection during Normal Business Hours. A list of Company's current Subscriber rates and charges for Cable Service shall be maintained on file with City and shall be available for public inspection.

(k) Late Fees. Company shall comply with all Applicable Laws with respect to any assessment, charge, cost, fee or sum, however characterized, that the Company imposes upon a Subscriber for late payment of a bill. The City reserves the right to enforce Company's compliance with all Applicable Laws to the maximum extent legally permissible.

(l) Disputes All Subscribers and members of the general public may direct complaints, regarding Company's Service or performance to the chief administrative officer of the City or the chief administrative officer's designee, which may be a board or commission of the City.

In the event the City receives complaints regarding the Company's compliance with one (1) or more of the above-referenced standards in this Section 9, the City may request, and the Company shall provide, information and records kept in the Company's normal course of business documenting Company's compliance with the specific term and provision of this Section 9 that is the subject of the complaint. Company shall make a good faith effort to maintain its information and records in a manner so that the City can easily verify Company's compliance with the requirements of Section 9.

Section 10. SERVICE TO PUBLIC BUILDINGS.

(a) If and when the below described buildings are within 4,000 feet of an activated Remote Terminal capable of providing Cable Service, the Company shall provide free of charge and not subject to offset against the Franchise Fee, throughout the term of this Agreement, one (1) service drop, two (2) outlets and two (2) Converter units if necessary, and Basic Service and Expanded Basic Service (i.e. together the equivalent of sixty (60) or more Channels of programming) or the future analog or digital equivalent of such service tiers offered by Company in the City, and the functions necessary to complete the installation given the complexity thereof. ("Complimentary Service"), to all public facilities located in the City including but not limited to: City Hall; all public fire stations and police stations; all public libraries; all PEG access facilities designated by the City; all City and County administrative and operational buildings; all public and private accredited K-12 schools located in the City ("Public Buildings").

(b) For purposes of this Section 10, the term "Designated Representative" shall include anyone designated by the local governing body responsible for the Public Building in question. The Designated Representative may request Complimentary Service to Public Buildings which shall be made in writing. Company shall be responsible for all costs of extension for any installation which is less than 4,000 cable feet from the Company's activated Remote Terminal. The Public Building shall pay any net additional drop or extension Installation Costs in excess of 4,000 feet. For purposes of this Section 10 of this Agreement, "Installation Costs" shall include only Company's documented cost of: 1) necessary materials, equipment and hardware to complete the installation; and 2) required labor charged at Company's lowest hourly service charge taking into account the classification and skill level of employee(s) needed to perform. The recipient of the Complimentary Install to be provided by the Company will secure any necessary right of entry.

(c) Notwithstanding anything to the contrary set forth in this Section 10 of this Agreement, Company and the City agree that: (i) Company shall not be required to honor a Complimentary Service request to any Public Building unless it is technically feasible.

(d) Nothing in this Section 10 of this Agreement is intended to prevent a separate written agreement between any entity receiving services under the terms hereof and the Company regarding the subject matter hereof. To that end, in the event a separate written

agreement with any such entity is negotiated and agreed upon, the Company shall give notice thereof to the City and advise therein as to the provisions of this Franchise which are no longer applicable to such entity. In no event, however, shall Company be relieved of its obligations to meet the requirements of this Section 10 should such a written agreement fail to materialize, be terminated, or expire during the term of this Agreement.

(e) The City acknowledges and agrees that the Company shall have no obligation to provide Complimentary Service to any private Person or entity which is leasing space in a Public Building.

Section 11. PUBLIC, EDUCATIONAL, AND GOVERNMENTAL ACCESS OBLIGATIONS.

Company shall at all times during the term of this Agreement comply with the requirements of Exhibit C governing the provisions of PEG access in the City.

ARTICLE III. ADMINISTRATION AND ENFORCEMENT

Section 1. PERFORMANCE EVALUATION SESSIONS.

(a) Within six (6) months following the fifth (5th) anniversary of the Effective Date of this Agreement, the City may notify the Company in writing of its intention to conduct a performance evaluation of the Company's performance under this Agreement. The Company shall cooperate with such evaluation process.

(b) The Company shall cooperate with City during any evaluation session and shall provide such information and documents as City may reasonably request to perform the review but shall not be required to generate new documents.

(c) At the conclusion of the evaluation, the City and the Company shall discuss the results and determine whether any amendment to this Agreement is necessary. The parties shall negotiate in good faith to effectuate any mutually agreed-upon amendment.

Section 2. LIQUIDATED DAMAGES.

(a) For the violation of any of the following provisions of this Franchise, liquidated damages shall be chargeable to the letter of credit as follows:

Section 14. ABANDONMENT. Any property abandoned by the Company shall become, at the option of the City, property of the City and the Company agrees to execute and deliver an instrument in writing, transferring its ownership interest in any such property to the City.

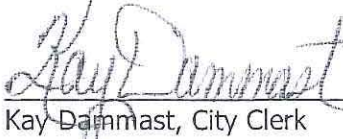
Section 15. NON-DISCRIMINATION. The Company shall at all times comply with all provisions of the City's Affirmative Action Equal Employment Opportunity Policy Statement, as may be amended from time to time, attached hereto as Exhibit D, and is hereby incorporated by this reference.

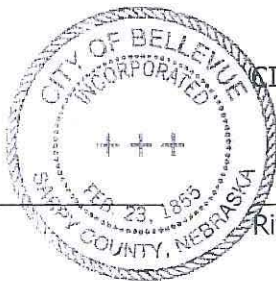
Section 16. SEVERABILITY. If any section, subsection, clause, phrase or portion of this Agreement is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct and independent provision and such holding shall not affect the validity of the remaining portions thereof.

Section 17. EFFECTIVENESS OF AGREEMENT. This Agreement shall be effective from and after execution of the same by the City and shall remain in effect throughout the length of the term of the Franchise extended to the Company, not to exceed ten (10) years, unless mutually terminated by the parties hereto, or otherwise concluded in accordance with the provisions hereof or Applicable Law.


IN WITNESS WHEREOF, the foregoing Agreement is dated this 13th day of May, 2013.

Attest:

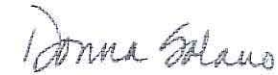

Kay Dammast, City Clerk



CITY OF BELLEVUE, NEBRASKA


Rita Sanders, Mayor

Attest:


Donna Solano, Exec Admin Asst.

Qwest Broadband Services, Inc.



R. Steven Davis, EVP
Public Policy & Government Relations

EXHIBIT C
Public, Educational and Governmental Access

- 1. Number of PEG Channels.** Upon the Effective Date of the Agreement, the Company shall provide to the City one (1) Channel on the Basic Service tier for dedicated noncommercial PEG access programming. The City shall determine how the Channels are programmed for PEG purposes.
- 2. Control of PEG Channel.** The control and administration of the PEG Channel shall rest with the City and the City may delegate, from time to time over the term of this Agreement, such control and administration to various entities as determined in City's sole discretion. The City may at any time allocate or reallocate the usage of the PEG Channel(s) among and between different uses and users in the City's sole discretion. Company agrees to cooperate and consult with City, free of charge, to ensure that any City equipment purchases and installations completed by the City are compatible with the Company's Cable System, technology and reasonably foreseeable system specifications.
- 3. PEG Channel Functionality.** PEG Channels shall be capable of transmitting the primary video stream, related audio, and accompanying program related material within the PEG Channel video stream. "Program related material" shall mean (i) closed captioning for the hearing impaired, (ii) one alternative language or secondary audio program feed, (iii) program ratings information, (iv) such other material as may be essential to or necessary for the delivery of distribution of the primary video stream in a digital form; (v) video description information; and (vi) any material the FCC specifically identifies as program-related material that a cable operator retransmitting a broadcast television signal pursuant to FCC must-carry rules is required to retransmit as part of a broadcast television signal; provided that Company is technically capable of passing through any such program related material; and provided, further, that program related material shall not include any interactive element or transactional application that requires the functionality of a two-way cable or similar plant or otherwise suggests that a return path will be provided, including, without limitation, any feature that prompts a Customer to attempt to utilize "triggers" or other options that are enabled by a return path. All such related audio and other material shall be provided as part of the PEG Channel programming feed transmitted to the Company; Company shall not be required to insert such related audio and other material onto a PEG Channel.
- 4. PEG Channels carried in High Definition.** At such time as Company no longer offers the Basic Service tier in a digital tier format, the City shall have the option, upon one hundred twenty (120) Days written notice to Company, to provide PEG Channel signals to Company in a high-definition (HD) format (e.g., 1080i [1920 x 1080 interlaced], or some other format) utilized by one (1) or more of the commercial broadcast television stations. Company shall, without cost to the City, provide, install, and maintain in good working order the equipment necessary for transmitting such signals to Subscribers.
- 5. PEG Channel Locations.** Company shall make every reasonable effort to coordinate the cablecasting of PEG access programming on the Cable System on the same Channel designations as such programming is currently cablecast within the City. Company may move PEG Channel locations upon thirty (30) Days written notice to the City by Company. Company shall use its best efforts to place PEG Channels in a consecutive or near-consecutive block of

Channel numbers in reasonably close proximity to other public affairs programming (e.g., CSPAN, PBS) on the Basic Service tier. Company agrees not to encrypt the PEG Channels any differently than other commercial Channels available on the Cable System.

Company shall work with the City to place educational or governmental content on Licensee's network in the form of video "on demand" programming. Only upon mutual written agreement by Company and City, may Company consolidate the PEG Channels to a single Channel on the basic tier. If mutually agreed upon, all of the PEG Channels could then be accessed either as an application on a menu or as choices on the assigned Channel. The City agrees to reasonably and promptly consider any Company proposal regarding PEG Channel consolidation.

6. Programming Delivery. City shall ensure PEG Channels and signals are in compliance with applicable FCC technical standards so the signal quality can be processed in Company's headend and retransmitted to Subscribers. Company shall not discriminate against PEG Channels with respect to the functionality, signal quality, and features from those of the local broadcast Channels carried on the Cable System. With respect to signal quality, Company shall not be required to carry a PEG Channel in a higher quality format than that of the Channel signal delivered to Company, but Company shall distribute the PEG Channel signal without degradation. Company may transmit the PEG Channels to Customers in a format of its own choosing, subject to Paragraph 7, above. Any and all costs associated with any modification or conversion of the PEG Channels or signals after the PEG Channels/signals leave the City's designated playback facilities, or any designated playback center authorized by the City, to a format different than that delivered by the City shall be provided by Company at no cost to the City or its designees. Company shall not cause any programming to override PEG programming on any PEG Channel, except by oral or written permission from the City, with the exception of emergency alert signals. The City or its designee shall ensure that the quality of the PEG Channel programming (after it leaves the City's playback locations) is comparable with that of similarly formatted signals received by Company from commercial providers. In no event shall Company reduce the bit rate or quality of the PEG signals it receives from the City.

7. Navigation to PEG Channels. Company agrees that if it utilizes a visual interface under its control on its Cable System for all Channels, the PEG Channels shall be treated in a non-discriminatory fashion consistent with Applicable Laws so that Subscribers will have ready access to PEG Channels. This shall not be construed to require Company to pay any third party fees that may result from this obligation or install or modify any standard equipment or software to accommodate the inclusion of PEG Channels on its programming guide.

8. Noncommercial Use of PEG. PEG Channels are for noncommercial programming to be promoted and administered by the City as allowed under Applicable Laws. Permitted noncommercial uses of the PEG Channels shall include by way of example and not limitation: (1) the identification of financial supporters similar to what is provided on public broadcasting stations; or (2) the solicitation of financial support for the provision of PEG programming by the City or third party users for charitable, educational or governmental purposes; or (3) programming offered by accredited, non-profit, educational institutions which may, for example, offer telecourses over a PEG Channel.

9. Dedicated Fiber Return Lines. Company shall design, build and maintain, throughout the term of this Agreement, at Company's expense, all PEG upstream feeds,

connections and distribution facilities between its headend and each location identified in subparagraphs 1-4, below as well as other return lines and associated equipment that are listed below and as of the Effective Date of the Agreement to enable the distribution of PEG access programming to Company's Subscribers without material degradation of signal quality. The City shall ensure PEG Channels and signals leaving the playback facilities are in compliance with applicable FCC technical standards. Company shall construct, repair and maintain over the term of the Agreement all necessary technical equipment, fiber and related infrastructure to provide high quality twenty-four (24) hours per day fiber return feeds for each PEG Channel from the following designated access sites to Company's Cable System headend:

Bellevue City Hall, 210 West Mission Avenue, Bellevue, NE 68005

10. Future Fiber Return Lines for PEG. At such time that the City determines:

(a) that the City desires the capacity to allow Subscribers in the City to receive PEG programming (video or character generated) which may originate from schools, City facilities, other government facilities or other designated facilities (other than those indicated in paragraph 12 above); or

(b) that the City desires to establish or change a location from which PEG programming is originated; or

(c) that the City desires to upgrade the connection to Company from an existing signal point of origination; the City shall give Company written notice detailing the location of the new point of origination or the new capability sought by the City ("Modifications"). Company shall thereafter respond with a written cost estimate ("Estimate") of what is necessary to implement the Modifications within a reasonable period of time. Thereafter, the City shall have the option of either accepting the Estimate of Company and having the Modifications performed thereby or choosing to have the Modifications completed by a third party; provided, however, that if the City chooses a third party to perform such Modifications, said third party must agree to follow and be bound by the Company's standard protocols and procedures applicable to granting access to the Cable System for non-Company personnel and equipment.

11. PEG Fee.

Company shall pay to City a PEG Fee in an amount equal to one percent (1%) of Company's Gross Revenues to allow for City to install, update and maintain equipment and other resources required for the PEG programs ("PEG Fee"). The PEG Fee shall be paid to the Finance Department of the City in the same manner provided for payment of the Franchisee specified in Article I, Section 7(b).

The PEG Fees may be spent by the City on any PEG related expense (capital or operational) as determined in City's sole discretion. The City need not expend the PEG Fees immediately but rather may place such funds in a designated account with principal and interest to be used solely for PEG purposes over the term of the Agreement as determined solely by the City. City shall not encumber the PEG Fees for any other purpose. For purposes of calculating the PEG Fee only, in the case of multiple office buildings or multiple dwelling units, the "Subscriber" shall mean each lessee, tenant or occupant not the building owner or landlord.

(a) The PEG Fee shall not be considered "Gross Revenues" and is not part of the Franchise Fee. The parties agree that the PEG Fee falls within one (1) or more of the exceptions in 47 U.S.C. § 542(g)(2)(c). Nothing shall preclude Company from including the cost as part of its general rate-setting process. Company agrees that it will not offset or reduce its payment of past, present or future Franchise Fees required as a result of its obligation to remit the PEG Fee.

(b) Any PEG Fee amounts owing pursuant to this Agreement which remain unpaid more than twenty-five (25) Days after the date the payment is due shall be delinquent and shall thereafter accrue interest at twelve percent (12%) per annum or the prime lending rate published by the Wall Street Journal on the day the payment was due plus two percent (2%), whichever is greater.

12. PEG Technical Quality.

(a) Company shall maintain its Cable System, including the fiber return lines from the PEG programming origination points, in accordance with FCC technical Standards so that PEG programming is transported and processed by Company at the same level of technical quality and reliability as other commercial signals carried by Company. There shall be no significant deterioration in signal from the point of origination upstream to the point of reception downstream on the Cable System. All processing equipment used by Company for processing PEG signals will be of similar quality to the processing equipment used for other commercial Channels.

(b) Within twenty-four (24) hours of a written request from City to the Company identifying a technical problem with a PEG Channel and requesting assistance, Company will provide technical assistance or diagnostic services to determine whether or not a problem with a PEG signal is the result of matters for which Company is responsible and if so, Company will take prompt corrective action. If the problem is caused by or the result of the City's equipment or action, the Company may charge the City its standard rates for a commercial service call. If the problem persists and there is a dispute about the cause, then the parties shall meet with engineering personnel from the Company and the City in order to determine the course of action to remedy the problem.

13. Change in Technology. In the event the Company makes any change in the Cable System and related equipment and facilities or in its signal delivery technology, which requires the City to obtain new equipment in order to be compatible with such change for purposes of the PEG Channels, Company shall, at its own expense and free of charge to City or its designated entities, purchase such equipment as may be necessary to facilitate the cablecasting of the PEG Channels in accordance with the requirements of the Agreement.

14. Relocation of Company's Headend. In the event Company relocates its headend, Company will be responsible for replacing or restoring the then-existing capability to send and receive PEG Channel programming at all existing locations at Company's cost so that all the functions and capacity remain available, operate reliably and satisfy all applicable technical standards and related obligations of the Agreement free of charge to the City or its designated entities.